



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

APR 21 2005

REPLY TO THE ATTENTION OF

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Dr. Katherine Reed, Staff Vice President
3M Environmental, Health and
Safety Operations
3M Center
P.O. Box 33428
St. Paul, Minnesota 55133-3428

Re: 3M Company
Consent Agreement and Final Order
Docket Number: CAA-05-2005

0021

Dear Dr. Reed:

NP1005002

Enclosed is a file-stamped Consent Agreement and Final Order (CAFO) that
resolves the above-described case regarding the 3M Company. As indicated by the filing
stamp on its first page, we filed the CAFO with the Regional Hearing Clerk on

4/25/05.

Please direct any questions regarding this case to Cynthia A. King, Associate
Regional Counsel, (312) 886-6831.

Sincerely yours,

William MacDowell, Chief
Air Enforcement and Compliance Assurance Section (MN/OH)

Enclosure

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:

3M)
Guin, Alabama,)
Hartford City, Indiana,)
Ames, Iowa,)
Knoxville, Iowa,)
Cynthiana, Kentucky,)
Chemsford, Massachusetts,)
Alexandria, Minnesota)
Eagan, Minnesota,)
Fairmont, Minnesota,)
Mendota Heights, Minnesota,)
New Ulm, Minnesota,)
Stillwater, Minnesota,)
Tartan Park, Minnesota,)
Staples, Minnesota,)
Nevada, Missouri,)
Springfield, Missouri,)
Columbia, Missouri,)
Valley, Nebraska,)
Cincinnati, Ohio,)
Greenville Tape, South)
Carolina,)
Greenville Film, South)
Carolina,)
Aberdeen, South Dakota,)
Brookings, South Dakota,)
Austin Research Boulevard,)
Texas,)
Austin Center, Texas,)
Brownwood, Texas,)
Murray, Utah,)
Cumberland, Wisconsin,)
Menomonie, Wisconsin,)
Milwaukee, Wisconsin,)
Prairie du Chien, Wisconsin)

Respondent

Docket No. **CAA-05- 2005 0021**

**Consent Agreement and Final
Order**

U.S. ENVIRONMENTAL
PROTECTION AGENCY
REGION V

05 APR 25 P3:29

RECEIVED
APR 25 2005

CONSENT AGREEMENT AND FINAL ORDER**I. JURISDICTIONAL AUTHORITY**

1. This is a civil administrative action instituted and settled pursuant to Section 113(d) of the Clean Air Act (the Act), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 22.13(b), and 22.34 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits (Consolidated Rules) as codified at 40 C.F.R. Part 22.

2. Section 22.13(b) of the Consolidated Rules provides that where the parties agree to settlement of one or more causes of action before the filing of a complaint, a proceeding may be simultaneously commenced and concluded by the issuance of a CAFO.

3. Complainant is, by lawful delegation, the Director of the Air and Radiation Division, U.S. EPA, Region 5.

4. The Respondent is 3M (3M or Respondent), a corporation doing business in Alabama, Indiana, Iowa, Kentucky, Massachusetts, Minnesota, Missouri, Ohio, South Carolina, South Dakota, Texas, Utah and Wisconsin.

5. On November 13, 2003, U.S. EPA received a request from 3M to enter into a Corporate Auditing Agreement pursuant to U.S. EPA's guidance on "Use of Corporate Auditing Agreements for Audit Policy Disclosures," dated May 7, 2001. In its request to enter

a Corporate Auditing Agreement, 3M proposed to conduct an assessment of its refrigerant management program at thirty-one 3M facilities, which include Guin, Alabama, Hartford City, Indiana, Ames, Iowa, Knoxville, Iowa, Cynthiana, Kentucky, Chelmsford, Massachusetts, Alexandria, Minnesota, Eagan, Minnesota, Fairmont, Minnesota, Mendota Heights, Minnesota, New Ulm, Minnesota, Stillwater, Minnesota, Tartan Park, Minnesota, Staples, Minnesota, Nevada, Missouri, Springfield, Missouri, Columbia, Missouri, Valley, Nebraska, Cincinnati, Ohio, Greenville Tape, South Carolina, Greenville Film, South Carolina, Aberdeen, South Dakota, Brookings, South Dakota, Austin Research Boulevard, Texas, Austin Center, Texas, Brownwood, Texas, Murray, Utah, Cumberland, Wisconsin, Menomonie, Wisconsin, Milwaukee, Wisconsin, and Prairie du Chien, Wisconsin.

6. Although not all of the 3M facilities subject to the Corporate Auditing Agreement are facilities within Region 5, Region 5 staff obtained the approval of Regions 1, 4, 6, 7 and 8 to include their facilities within the Corporate Auditing Agreement.

7. From February 27, 2004 through March 3, 2005, U.S. EPA received individual letters with the results of the refrigerant management program audits performed at each of the 3M facilities pursuant to the Corporate Auditing Agreement along with a

description of the steps taken to resolve the violations disclosed, if any.

II. SELF-DISCLOSURE POLICY

8. In order to encourage regulated entities to conduct voluntary compliance evaluations and to voluntarily discover, disclose and correct violations of environmental requirements, U.S. EPA promulgated the "Final Policy Statement on Incentives for Self-Policing: Discovery, Disclosure, Correction, and Prevention of Violations," 60 Fed. Reg. 66706 (December 22, 1995) (the Self-Disclosure Policy). As an incentive for regulated entities to participate in the Self-Disclosure Policy's voluntary disclosure process, U.S. EPA may eliminate or substantially reduce the gravity-based component of civil penalties to be assessed for violations which are voluntarily disclosed in compliance with the conditions specified in the Self-Disclosure Policy. The conditions of the Self-Disclosure Policy are as follows:

- (1) Discovery of the violation(s) through an environmental audit or due diligence;
- (2) Voluntary disclosure;
- (3) Prompt disclosure;
- (4) Discovery and disclosure independent of government or third party plaintiff;
- (5) Correction and remediation;
- (6) Prevention of recurrence of the violation;
- (7) Absence of repeat violations;
- (8) Other violations excluded; and
- (9) Cooperation.

9. Pursuant to the Self-Disclosure Policy, U.S. EPA may reduce gravity-based penalties up to one-hundred percent if the disclosing entity satisfies all of the conditions listed above. U.S. EPA may reduce gravity-based penalties up to seventy-five percent if the disclosing entity satisfies conditions (2) - (9), above. However, U.S. EPA reserves the right to assess a civil penalty with regard to any economic benefit that may have been realized as a result of such violations, even in those instances when the disclosing entity has met all the conditions of the Self-Disclosure Policy. In its enforcement discretion, U.S. EPA may waive a civil penalty with regard to the economic benefit arising from such violations if U.S. EPA determines that such economic benefit is insignificant. Penalty reductions are not available under the Self-Disclosure Policy for violations that result in serious actual harm or may present an imminent and substantial endangerment to public health or the environment, nor are such reductions available for violations of any order or consent agreement.

III. STIPULATED FACTS

10. 3M is a "person" as defined at Section 302(e) of the Act, 42 U.S.C. § 7602(e).

11. 3M owns and operates the following facilities: a traffic safety systems products manufacturing facility, located

at 6675 US Highway 43, Guin, Alabama (Guin); a tape manufacturing facility located at 0304S-075E, Hartford City, Indiana 47348 (Hartford); an abrasives manufacturing facility located at 900 Dayton, Ames, Iowa 50010 (Ames); an industrial adhesive and tape manufacturing facility, located at 3406 East Pleasant Street, Knoxville, Iowa 50138 (Knoxville); an office supplies manufacturing facility, located at 1308 New Lair Road, Cynthiana, Kentucky 41031 (Cynthiana); an electrical heat shrink product manufacturing facility located at 279 Billerica Road, Chelmsford, Massachusetts 01826 (Chelmsford); an abrasives manufacturing facility, located at 2115 South Broadway, Alexandria, Minnesota 56308 (Alexandria); a multi-divisional converting and manufacturing facility, located at 3130 Lexington Avenue South, Eagan, Minnesota 55121 (Eagan); a manufacturing facility that produces Bumpon TM protective products and reclosable fasteners, located at 710 North State Street, Fairmont, Minnesota 56031 (Fairmount); a filtration products manufacturing and laboratory facility, located at 2465 Lexington Avenue South, Mendota Heights, Minnesota 55121 (Mendota Heights); a plastic and rubber molding facility located at 1700 North Minnesota Street, New Ulm, Minnesota 56073 (New Ulm); an automotive products manufacturing facility, located at 1987 Industrial Blvd, Stillwater, Minnesota 55082 (Stillwater); a 3M employee recreational area located at 11455 20th Street North, Lake Elmo, Minnesota 55042 (Tartan

Park); an equipment fabrication facility located at 1030 5th Street NE, Staples, Minnesota 56479 (Staples); a commercial graphics products manufacturing facility, located at 2120 East Austin, Nevada, Missouri (Nevada); an industrial adhesive and tape manufacturing facility, located at 3211 E. Chestnut Expressway, Springfield, Missouri 65802 (Springfield); an electronic solutions products manufacturing facility, located at 5400 Route B, Columbia, Missouri 65202 (Columbia); an occupational health, environmental safety and medical products manufacturing facility, located at 600 East Meigs Street, Valley, Nebraska 68064 (Valley); an optical systems products manufacturing facility, located at 4000 McMann Road, Cincinnati, Ohio 45245 (Cincinnati); an industrial adhesive and tape manufacturing facility, located at 1450 Perimeter Road, Donaldson Ctr, Greenville, South Carolina 29605 (Greenville - Tape); a specialty film and media products manufacturing facility, located at 1400 Perimeter Road, Donaldson Ctr, Greenville, South Carolina 29605 (Greenville - Film); an occupational health and environmental safety products manufacturing facility, located at 610 County Road 19, Aberdeen, South Dakota 57401 (Aberdeen); a medical products manufacturing facility, located at 601 22nd Avenue South, Brookings, South Dakota 57006 (Brookings); an electrical communications markets manufacturing facility, located at 3M Research Boulevard Site, 11705 Research Blvd., Austin,

Texas 78759 (Austin - Research Blvd.); an electrical markets and laboratory facility, located at 6801 River Place Blvd, Austin, Texas 78726 (Austin Center); a reflective sheeting manufacturing facility located at 4501 Hwy 377 South, Brownwood, Texas 76801 (Brownwood); a developer and provider of advanced software tools and services for healthcare organizations located at 575 West Murray Blvd., Murray, Utah 84123 (Murray); an abrasives manufacturing facility, located at 1670 Western Avenue, Cumberland, Wisconsin 54829 (Cumberland); a manufacturing facility and development center that makes products including optical films, adhesive tape and reflective sheeting, located at 1425 Stokke Parkway, Menomonie, Wisconsin 54751 (Menomonie); a touch screen printing and assembly manufacturing facility, located at 7025 West Marcia Road, Milwaukee Wisconsin 53223 (Milwaukee); and an abrasives manufacturing facility located at 801 N. Marquette Road, Prairie du Chien, Wisconsin 53821 (Prairie du Chien).

12. 3M has disclosed the following alleged violations at the facilities listed below. The violations are listed by appliance, the date of violation, and the regulatory provision violated:

A. Knoxville, Iowa:

- i) Unit 9N Chiller, 1/15/02, 40 C.F.R. § 82.156(i)(3);
- ii) Refrigeration Warehouse, 6/20/02, 40 C.F.R.

§ 82.156 (i)(5), (i)(6);

iii) Refrigeration Warehouse, 9/12/02, 40 C.F.R.

§ 82.156 (i)(5), (i)(6);

B. Ames, Iowa:

i) Q2E. York, #2, 2/27/04, 40 C.F.R. § 82.156(i)(3);

C. Eagan, Minnesota:

i) GND-1 #2, 5/30/04, 40 C.F.R. § 82.156 (i)(5);

D. Fairmont, Minnesota:

i) AIR-01A #2, 8/31/04, 40 C.F.R. § 82.156 (i)(5), (i)(6);

E. Stillwater, Minnesota:

i) AHU-01B, 6/26/03, 40 C.F.R. § 82.156 (i)(5), (i)(6);

ii) AHU-2E #1, 6/18/03, 40 C.F.R. § 82.156 (i)(5), (i)(6);

F. Prairie du Chien, Wisconsin:

i) 000009-00 W 50, 7/1/02, 40 C.F.R. § 82.156 (i)(5),
(i)(6);

ii) 003093 #1 Asset, 4/16/02, 40 C.F.R. § 82.156 (i)(3);

iii) 001878-00 #2A, 1/14/02, 40 C.F.R. § 82.156 (i)(3);

iv) 001878-00 #2A, 6/2/03, 40 C.F.R. § 82.156 (i)(2), (i)(3),
(i)(3)(ii), (i)(3)(iii), (i)(6); and

v) 001878-00 #2A, 7/10/03, 40 C.F.R. § 82.156 (i)(2),
(i)(3), (i)(3)(ii), (i)(3)(iii), and (i)(6).

13. No violations were disclosed at the following 3M facilities: Guin, Hartford City, Cynthiana, Chelmsford, Alexandria, Mendota Heights, New Ulm, Tartan Park, Staples,

Nevada, Springfield, Columbia, Valley, Cincinnati, Greenville
Tape, Greenville Film, Aberdeen, Brookings, Austin Research
Boulevard, Austin Center, Brownwood, Murray, Cumberland,
Menominee, and Milwaukee.

14. The alleged violations disclosed by 3M were discovered during an environmental audit which is part of 3M's Environmental Management System and compliance management system.

15. The violations were disclosed promptly, in writing and within the time frame allowed by the Corporate Auditing Agreement.

16. The disclosed violations were identified and disclosed by 3M prior to the commencement of a Federal, state, or local agency inspection, investigation, or information request, notice of a citizen suit, legal complaint by a third party, reporting of the violation to U.S. EPA by a "whistle blower" employee, or imminent discovery by a regulatory agency.

17. The disclosed violations either have been promptly corrected or 3M has taken steps to correct the violations and is working to expeditiously return to compliance.

18. 3M has taken, or will take, steps to prevent a recurrence of the violations, including strengthening its internal auditing focus on refrigerant management issues and providing additional training on refrigerant management practices.

19. 3M provided information to U.S. EPA indicating that the violations at issue or closely related violations have not occurred previously within the past three years at the same facilities and are not part of a pattern of violations on the part of 3M over the past five years.

20. 3M provided information to U.S. EPA indicating that the violations at issue have not been the subject of a Federal, state or local agency judicial or administrative complaint, enforcement action or settlement, nor has 3M received a penalty mitigation concerning the violations at issue during the three years preceding the issuance of this CAFO.

21. 3M provided information to U.S. EPA indicating that the violations at issue have not resulted in serious actual harm to human health or the environment, nor have the violations presented an imminent and substantial endangerment to public health or the environment.

22. 3M provided information to U.S. EPA indicating that the violations at issue do not violate the specific terms of any judicial or administrative order or consent agreement.

23. 3M has cooperated with U.S. EPA and provided the information necessary for the Agency to determine the applicability of the Self-Disclosure Policy to 3M's disclosure.

IV. VIOLATION

24. Pursuant to the Self-Disclosure Policy, and based upon the information provided by 3M, U.S. EPA has determined that the violations listed in paragraph 12 above are violations of Section 608 of the Act, 42 U.S.C. § 7671g, and regulations promulgated thereunder at 40 C.F.R. Part 82 (Stratospheric Ozone Standards) which set forth the standards and requirements regarding Class I and Class II substances during the service, repair or disposal of industrial process, comfort cooling, and commercial refrigeration, and as such constitute violations of the Act.

25. As set forth above in Paragraph 12, 3M failed to repair leaking appliances such that the annual leak rate was brought below 35 percent for industrial process and commercial refrigeration, or 15% for comfort cooling refrigeration, in violation of 40 C.F.R. § 82.156(i)(1), (2), and (5) and Section 608 of the Act, 42 U.S.C. § 7471g.

26. As set forth above in Paragraph 12, 3M failed to properly conduct initial and/or follow-up verification tests to ensure that repairs had been successful in violation of 40 C.F.R. § 82.156(i)(3) and Section 608 of the Act, 42 U.S.C. § 7471g.

27. As set forth above in Paragraph 12, 3M failed to develop a one-year retrofit and retirement plan for leaking

refrigeration equipment units within thirty days of a failed follow-up verification test(s) in violation of 40 C.F.R. § 82.156(i)(6) and Section 608 of the Act, 42 U.S.C. § 7471g.

28. As set forth above in Paragraph 12, 3M failed to retrofit or retire leaking refrigeration equipment within one year of a failed follow-up verification test(s) in violation of 40 C.F.R. § 82.156(i)(3)(ii) and Section 608 of the Act, 42 U.S.C. § 7471g.

29. As set forth above in Paragraph 12, 3M failed to notify the U.S. EPA within 30 days of a failed follow-up verification test(s) in violation of 40 C.F.R. § 82.156(i)(3)(iii) and Section 608 of the Act, 42 U.S.C. § 7471g.

V. PROPOSED PENALTY

30. Based on the Corporate Auditing Agreement reached between 3M and U.S. EPA, and because 3M provided information to the U.S. EPA that its disclosed violations were discovered through an audit or compliance management system and has met all other conditions of the Self-Disclosure Policy, the gravity-based penalty is being reduced to \$0. The collection of an economic benefit-based civil penalty is being waived as U.S. EPA determines that the economic benefit-based penalty would be insignificant. Therefore, the total penalty in this case is \$0.

VI. TERMS OF SETTLEMENT

31. Pursuant to the Self-Disclosure Policy, the Corporate Auditing Agreement guidance, Section 113(d) of the Act, and the Consolidated Rules, the U.S. EPA and 3M enter into this CAFO for 3M's disclosed violations. The parties agree that settling this action is in the public interest, that the entry of this Consent Agreement and Final Order (CAFO) without the filing of a Complaint or engaging in further litigation is the most appropriate means of resolving this matter, and that the purpose of this CAFO is to ensure compliance with the Act, Section 608 of the Act, 42 U.S.C. § 7671g, and the terms of this CAFO;

NOW, THEREFORE, before the taking of any testimony, upon the alleged violations, without adjudication of any issue of fact or law, and upon consent and agreement of the parties, it is hereby ordered and adjudged as follows:

32. The violations which are the subject of this CAFO were voluntarily disclosed by 3M to U.S. EPA.

33. This CAFO resolves the violations disclosed in this CAFO up until the date that this CAFO is filed with the Regional Hearing Clerk.

34. This settlement is pursuant to, and in accordance with, 40 C.F.R. §§ 22.13(b) and 22.18(b)(2) and (3).

35. 3M admits the jurisdictional allegations in this CAFO and admits the factual allegations.

36. 3M consents to the issuance of this CAFO.

37. 3M consents to all of the conditions in this CAFO.

38. 3M waives its right to a hearing as provided at
40 C.F.R. § 22.15(c).

39. 3M waives its right to contest the allegations in this CAFO, and waives its right to appeal under Section 113(d) of the Act, 42 U.S.C. § 7413(d).

40. 3M certifies that, to the best of its knowledge, it is complying fully with the Stratospheric Ozone Standards at the thirty-one facilities listed in Paragraph 11.

41. This CAFO constitutes a settlement by U.S. EPA of all claims for civil penalties pursuant to Section 608 and 113 of the Act, 42 U.S.C. §§ 7671g and 7413, for the violations listed in Section IV of this CAFO. Nothing in this CAFO is intended to, nor shall be construed to, operate in any way to resolve any criminal liability of 3M arising from the violations alleged in this CAFO or liability related to violations of the Act. Compliance with this CAFO shall not be a defense to any actions subsequently commenced pursuant to Federal laws and regulations administered by U.S. EPA, and it is the responsibility of 3M to comply with such laws and regulations.

42. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party

represented to enter into the terms and conditions of this CAFO and to execute and legally bind that party to it.

43. Each party shall bear its own costs and attorneys' fees in connection with the action resolved by this CAFO.

44. This CAFO shall become effective on the date it is filed with the Regional Hearing Clerk, Region 5.

45. "Parties" shall mean U.S. EPA and 3M.

VII. General Provisions

46. This CAFO settles U.S. EPA's claims for civil penalties for the violations alleged in Section IV of this CAFO.

47. Nothing in this CAFO restricts U.S. EPA's authority to seek 3M's compliance with the Act and other applicable laws and regulations.

48. This CAFO does not affect 3M's responsibility to comply with the Act and other applicable federal, state and local laws, and regulations.

49. This CAFO constitutes an "enforcement response" as that term is used in "U.S. EPA's Clean Air Act Stationary Source Civil Penalty Policy" to determine 3M's "full compliance history" under Section 113(e) of the Act, 42 U.S.C. § 7413(e).

50. The terms of this CAFO bind 3M, and its successors, and assigns.

51. By signing this CAFO, 3M certifies that it has met all of the conditions of U.S. EPA's Self-Disclosure Policy and

qualifies for a mitigation of the gravity-based component of the civil penalty for the disclosed violations.

52. This CAFO constitutes the entire agreement between the parties.

**In the Matter of 3M Company
Guin, Alabama, et al.**

~~QAA-05-~~ 2005 0021

The foregoing Consent Agreement is hereby Stipulated, Agreed, and Approved for Entry:

**3M Company
Respondent**

Date: March 30, 2005

By: Katherine E. Reed
Dr. Katherine Reed
Staff Vice President
3M Environmental, Health and
Safety Operations

**U.S. Environmental Protection Agency
Complainant**

Date: 4/15/05

By: [Signature] ACTING
Stephen Rothblatt, Director
Air and Radiation Division
U.S. Environmental Protection
Agency, Region 5 (A-18J)


In the Matter of 3M Company
Guin, Alabama, et al.

~~CAA-05-~~ 2005 0021

FINAL ORDER

It is ordered as agreed to by the parties and as stated in the Consent Agreement, effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk.

Dated: 4/21/05



Bharat Mathur
Acting Regional Administrator
U.S. Environmental Protection
Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

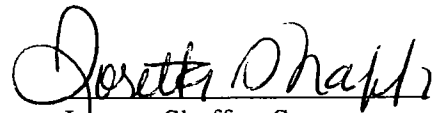
CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I hand delivered the original of the Consent Agreement and Final Order, Docket Number ~~BAA-05~~ 2005 0021 to the Regional Hearing Clerk, Region 5, United States Environmental Protection Agency, and that I mailed a correct copy by first-class, postage prepaid, certified mail, return receipt requested, to Dr. Katherine Reed by placing it in the custody of the United States Postal Service addressed as follows:

Dr. Katherine Reed, Staff Vice President
3M Environmental, Health and
Safety Operations
3M Center
P.O. Box 33428
St. Paul, Minnesota 55133-3428

RECEIVED
05 APR 25 P3:29
U.S. POSTAL SERVICE
REGIONAL HEARING CLERK
REGION 5
ST. PAUL, MN

On the 25th day of April 2005.


Loretta Shaffer, Secretary
AECAS (MN/OH)

CERTIFIED MAIL RECEIPT NUMBER: 7001033000059025 6916